WILLKIE FARR & GALLAGHER

DOCKET FILE COPY ORIGINAL

Washington, DC
New York
London
Paris

EX PARTE OR LATE FILED

RECEIVED

DEC 4 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

December 4, 1995

Mr. William F. Caton
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: Ex Parte Presentation in CC Dockets 80-286, 94-1, 94-97, and 95-116

Dear Mr. Caton:

On Friday, December 1, 1995, representatives of Time Warner Communications ("TWComm") met with Regina Keeney, Chief of the Common Carrier Bureau, A. Richard Metzger, Deputy Chief of the Common Carrier Bureau, Dan Phythyon, Assistant Bureau Chief of the Common Carrier Bureau, and Larry Atlas, Assistant Bureau Chief of the Common Carrier Bureau. Representing TWComm were Carol Melton, Tom Morrow and Janis Stahlhut. Attached is an outline which describes the substance of TWComm's presentation.

Please let me know if you have any questions.

Sincerely,

Brian A. Finley

Enclosure

cc: Regina Keeney
A. Richard Metzger
Dan Phythyon
Larry Atlas

No. of Copies rec'd 0+2
List ABCDE

C:\WP51\9236\92360502

Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20036-3384
202 328 8000

Telex: RCA 229800
WU 89-2762
Fax: 202 887 8979

A Fully Competitive Marketplace
requires stringent FCC oversight and actions

Time Warner Communications

December 1, 1995

Regulatory relief for LECs is not the means to achieve local competition

There is a critical tie between interstate access and local exchange competition:

It simply is not feasible to compete only for "switched access" -- in order to justify the switching network, TW Comm must be in the local service business as well.

If the FCC continues granting piecemeal relief for interstate access without a link to local exchange competition, the total picture can never develop.

A stringent and thorough approach to regulation of monopoly LECs

- ✓ *Establish firm criteria and conditions of competition as basis for granting any further regulatory relief.*
  - ✓ *Competitive checklist with periodic checkpoints*
- ✓ *Do not give LECs more than they themselves have agreed to provide in settlements with the DOJ or with state regulatory agencies.*
  - ✓ *NYPSC's Third-Year Checkpoint is a promising means for review of telcos' competitive and service quality behavior.*
- ✓ *Promptly complete items already on FCC agenda before granting new relief.*
  - ✓ *History tells us that monopoly LECs will not deliver what competitors need unless those items are linked to what the LECs want.*

Sequencing & Linkages

The framework for competition must be in place before access reform; the FCC's current agenda holds many of the keys:

- ✓ *Appoint Independent Numbering Council*
- ✓ *Adopt an industry number portability plan*
- ✓ *Complete collocation investigation*
- ✓ *Complete price cap further notice, establishing competitive checklist principles as criteria for further earnings and price flexibility relief.*
- ✓ *USF Reform*
- ✓ *Enforcement of ICB standards and cost support rules.*
- ✓ *Adopt broad interconnection policies for local traffic, or establish implementation of state policies as criteria for further regulatory relief.*

There must be linkages between dockets addressing competitors' needs and monopoly LECs' wants.

Competitive Checklist: barriers removed

- ✓ *Implemented nondiscriminatory arrangements for sharing of pole attachments and conduit space, and for access to entrance facilities, risers, and telephone closets under LEC control.*
- ✓ *Implemented arrangements for interconnection with competitors on terms acceptable to such competitors or approved by state regulatory agencies, including reciprocal terms for traffic completion (bill and keep or reciprocal compensation), support functions, dialing parity and access to unbundled necessary services (signaling, E911, call completion, TRS relay).*
- ✓ *411 data available under reasonable, nondiscriminatory terms; directory listings and distribution at no charge to competitor.*
- ✓ *Implemented mutually agreeable arrangements for number portability, interim and plan for full, with arrangements for allocating costs without imposing an undue burden on competitors.*

FCC Action: underlying principle

This year the DOJ recommended stringent guidelines for Ameritech's waiver of the interLATA restriction -- guidelines that Ameritech itself agreed to. The FCC must not undermine progress made by the DOJ by granting piecemeal waivers and regulatory relief to RBOCs whose behavior subverts their own rhetoric and that impose fewer restrictions and controls than are already established in other policy forums.